

FOR IMMEDIATE RELEASE

H2Gen Announces Marketing Relationship in Japan

Alexandria, VA. November 3, 2004. H2Gen Innovations, Inc., which has developed a small-scale on-site appliance for generating highly pure hydrogen, has entered into a commercial agreement with Itochu Corporation of Japan.

The agreement provides for Itochu to serve as the exclusive sales agent for H2Gen in Japan for the Company's HGM 2000. As a first step, Itochu arranged for Tokyo Gas to lease one of the pre-commercial units from H2Gen. The unit will be installed at a facility owned by Tokyo Gas, and Tokyo Gas will be assisting in the monitoring and testing of the unit. Itochu Corporation has also invested directly in H2Gen, participating in the \$9.6 million financing that was announced earlier this week.

"Itochu has shown a keen interest in promoting our product in the Japanese market, and we are very pleased to have formed this important partnership with them," said Barney Rush, CEO of H2Gen. Mr. Jun Ikeno, Chief Operating Officer, Industrial Solutions Division of Itochu, commented that "We are very excited about this opportunity because H2Gen's onsite hydrogen generation module has great potential to be widely accepted by current and future industries; for instance, the semi-conductor and metal annealing processes today and hydrogen stations for fuel cell vehicles in future."

Other pre-commercial units are scheduled for delivery in North America: Air Products will be receiving the first of these units later this calendar year and the Company is completing agreements for other units to be installed in 2005.

In addition to the financing that has just been completed, the Company announced last week that it had been selected by the Department of Energy to be the prime contractor for a \$5.4 million grant program, which will allow it to continue the Company's drive to further reduce the costs of delivering hydrogen.

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